

**Before The  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	
High-Cost Universal Service Support	)	WC Docket No. 05-337
	)	
Federal State Joint Board on	)	CC Docket No. 96-45
Universal Service	)	
	)	
<i>Joint Board Comprehensive Reform</i>	)	Notice of Proposed
<i>NPRM (FCC 08-22)</i>	)	Rulemaking, 23 FCC Rcd
		1531 (2008)

**REPLY COMMENTS OF THE  
TEXAS OFFICE OF PUBLIC UTILITY COUNSEL  
ON THE JOINT BOARD RECOMMENDED DECISION**

The Texas Office of Public Utility Counsel (“TOPC”)<sup>1</sup> respectfully submits these reply comments in response to the Notice of Proposed Rulemaking (“*Comprehensive Reform NPRM*”) issued in the above-captioned dockets. The NPRM seeks “comment on ways to reform the high-cost universal service program.”

At the outset, TOPC applauds the Commission for its May 1, 2008 action to adopt an interim cap on payments to CETCs under the USF to stem the explosive growth of USF while it pursues comprehensive reform of the program. While TOPC cannot endorse every proposal included in the Joint

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<sup>1</sup> TOPC is a state agency created by the Texas Legislature to represent the interest of residential and small commercial consumers involving telephone and electric utility issues. Public Utilities Regulatory Act, Tex. Gov’t Code Ann. §13.001 (Vernon 1998 & Supp. 2005).

Board's *Comprehensive Reform Recommended Decision*, this action by the Commission is a positive response to one of the Joint Board's fundamental recommendations, and TOPC strongly agrees with the concept of capping the overall fund while the current fund is transitioned to the three-part fund envisioned by the Joint Board.

Secondly, TOPC concurs with and supports the April 17, 2008 comments filed by the National Association of State Utility Consumer Advocates ("NASUCA"). TOPC strongly endorses the Joint Board proposal to modify the existing high-cost USF by establishing three separate funding mechanisms for future funding, and believes the creation of new separate funds to support broadband and mobility, with the remainder of the current high-cost USF becoming a provider of last resort ("POLR") fund to be progressive, creative initiatives that will allow the Commission to move forward in its long-standing USF reform efforts. With respect to reforming the POLR Fund, TOPC agrees with NASUCA that reforms should be implemented such that only carriers in truly high-cost areas receive support in amounts sufficient, but no more than sufficient, to ensure that rates and services in rural areas are reasonably comparable to those in urban areas and that support should be implemented for only one network for each purpose in any given area.

TOPC appreciates the opportunity to file these reply comments, and urges the Commission to continue to move forward with initiatives for comprehensive USF reform.

Dated: June 02, 2008

Respectfully submitted,

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